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**PRELIMINARY DRAFT  
No. 3034**

**PREPARED BY  
LEGISLATIVE SERVICES AGENCY  
2006 GENERAL ASSEMBLY**

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**DIGEST**

**Citations Affected:** IC 6-4.1-3.

**Synopsis:** Inheritance tax. Increases the Class B transferee inheritance tax exemption amount from \$500 to \$20,000 and the Class C transferee inheritance tax exemption amount from \$100 to \$10,000.

**Effective:** July 1, 2006.



A BILL FOR AN ACT to amend the Indiana Code concerning taxation.

*Be it enacted by the General Assembly of the State of Indiana:*

- 1       SECTION 1. IC 6-4.1-3-11 IS AMENDED TO READ AS  
2       FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 11. The first ~~five~~  
3       ~~hundred twenty thousand~~ dollars ~~(\$500)~~ **(\$20,000)** of property  
4       interests transferred to a Class B transferee under a taxable transfer or  
5       transfers is exempt from the inheritance tax.
- 6       SECTION 2. IC 6-4.1-3-12 IS AMENDED TO READ AS  
7       FOLLOWS [EFFECTIVE JULY 1, 2006]: Sec. 12. The first ~~one~~  
8       ~~hundred ten thousand~~ dollars ~~(\$100)~~ **(\$10,000)** of property interests  
9       transferred to a Class C transferee under a taxable transfer or transfers  
10      is exempt from the inheritance tax.
- 11      SECTION 3. [EFFECTIVE JULY 1, 2006] **IC 6-4.1-3-11 and**  
12      **IC 6-4.1-3-12, both as amended by this act, apply to the estate of an**  
13      **individual who dies after June 30, 2006.**

